

FCC Form 481 - Carrier Annual Reporting
Data Collection FormFCC Form 481
OMB Control No. 3060-0926/OMB Control No. 3060-0815
July 2015

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Christopher Ulmer
<035>	Contact Telephone Number: Number of the person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	culmer@icorellc.com
	Form Type	54.313 and 54.422

(100) Service Quality Improvement Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	613028
<015> Study Area Name	SUMMIT TEL & TEL -AK
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmers@corellc.com

<110> Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111> If your answer to Line <110> is yes, do you have an existing § 54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, please file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

613028AK112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How much (USF) was used to improve service quality and how support was used to improve service quality
- <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage
- <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity
- <118> Provide an explanation of network Improvement targets not met in the prior calendar year.

Yes
Yes
Yes
Yes
Yes
Yes

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AX
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	oulmer@icoreallo.com

No _____

REDACTED - FOR PUBLIC INSPECTION

(300) Unfulfilled Service Request		FCC Form 481
Data Collection Form		OMB Control No. 3060-0985/OMB Control No. 3060-0819
		July 2013

<010> Study Area Code	613028
<015> Study Area Name	SUMMIT TEL & TEL -AK
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6199283903 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmer@corellc.com
<300> Unfulfilled service request (voice)	<div>0</div>
<310> Detail on attempts (voice)	<div>Name of Attached Document</div>
<320> Unfulfilled service request (broadband)	<div></div>
<330> Detail on attempts (broadband)	<div>Name of Attached Document</div>

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0086/OMB Control No. 3060-0019 July 2011
--	--

<010> Study Area Code 613028

<015> Study Area Name SUBMIT TEL & TEL -AK

<020> Program Year 2017

<030> Contact Name - Person USAC should contact regarding this data Christopher Ulmer

<035> Contact Telephone Number - Number of person identified in data line
<030> 6109289503 ext.

<039> Contact Email Address - Email Address of person identified in data line
<030> culmer@icorellc.com

<400> Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed voice

<410> Complaints per 1000 customers for fixed voice 0.0

<420> Complaints per 1000 customers for mobile voice

<430> Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. No broadband services offered

<440> Complaints per 1000 customers for fixed broadband

<450> Complaints per 1000 customers for mobile broadband

[500] Compliance With Service Quality Standards and Consumer Protection Rules		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0810 July 2013
<010>	Study Area Code	613028
<015>	Study Area Name	SIDMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283902 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@corelle.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
		613028AK510.pdf
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	

(600) Functionality in Emergency Situations Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--	--

<010>	Study Area Code	613028
<015>	Study Area Name	FINCHT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6107283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@coxe110.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	613028AK610.pdf

(700) Price Offerings including Voice Rate Data Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0818 July 2013
<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Uimer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmero@corello.com
<701>	Residential Local Service Charge Effective Date	3/1/2016
<702>	Single State-wide Residential Local Service Charge	

[illegible]

<010>	Study Area Code	612028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109285903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@cicorellc.com

[illegible]

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer71@orello.com
<810>	Reporting Carrier	Summit Telephone & Telegraph Company - AK
<811>	Holding Company	Remote Control, Inc.
<812>	Operating Company	Summit Telephone & Telegraph Company - AK

Page 10

900 Tribal Lands Reporting Data Collection Form		FCI Form 481 OMB Control No. 3150-0047 / OMB Control No. 3150-0048 JULY 2013
--	--	--

<010> Study Area Code	613026
<015> Study Area Name	SUMMIT TEL & TEL -AK
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6109283563 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmers@corellc.com

<900> Does the filing entity offer tribal land services? (Y/N) Yes

<910> Tribal Land(s) on which ETC Serves

Coldfoot Wiseman

<920> Tribal Government Engagement Obligation

613026AK920.pdf

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

**(1000) Voice and Broadband Service Rate Comparability
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0586/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@inorelle.com

<1000> Voice services rate comparability certification Yes

<1010> Attach detailed description for voice services rate comparability compliance 613028AK1010.pdf

Name of Attached Document

<1020> Broadband comparability certification Not Applicable

<1030> Attach detailed description for broadband comparability compliance

Name of Attached Document

(1100) No Terrestrial Backhaul Reporting		PCO Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0949
		July 2013

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	c.ulmer@corellc.com

<1100> Certify whether terrestrial backhaul options exist (Y/N)

No

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

Yes

(1200) Terms and Condition for Lifeline Customers**Lifeline
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0919
July 2013

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Uimer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109263903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

613028AK1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP www.summittelephoncompany.com

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

(2000) Price Cap Carrier Additional Documentation		OMB Form 471
Data Collection Form		OMB Control No. 3045-0085, OMB Control No. 3045-0135
Including Rate of Return Carriers affiliated with Price Cap Local Exchange Carriers		July 2015

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@corellc.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

<2010>	2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support		
<2011>	3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support		
<2022>	Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.		
<2023>	The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.		
<2024A>	Round 2 Recipient of Incremental Support?		
<2024B>	Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(ii). Round 2 recipients only.	Name of Attached Document Listing Required Information	
<2025A>	Round 1 or Round 2 Recipient of Incremental Support?		
<2025B>	Attach geocoded information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund, WC Docket 10-90, Report and Order, FCC 13-	Name of Attached Document Listing Required Information	
<2015>	2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)		

(2000) Price Cap Carrier Additional Documentation (Continued) Data Collection Form Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers	FCC Form 457 OMB Control No. 3060-0086/OMB Control No. 3060-0619 JULY 2013
--	--

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017B> Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

 Name of Attached Document Listing
Required Information

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(ii)

 Name of Attached Document Listing
Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

<2020> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

<2021> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

<2026> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

<2027> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

Complete the items below to note compliance with five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009) Progress Report on 5 Year Plan
Carrier certifies to 54.313(f)(1)(iii)

No - Attach Explanation

(3010A) Milestone Certification {47 CFR § 54.313(f)(1)(i)}

613028AK3010b.pdf

(3010B) Please Provide Attachment

Name of Attached Document Listing Required
Information

(3012A) Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}

No - No New Community Anchors

(3012B) Please Provide Attachment

Name of Attached Document Listing Required
Information

(3013) Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}

(Yes/No)

☒ ☐

(3014) If yes, does your company file the RUS annual report

(Yes/No)

☐ ☒

Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

☐

(3016) Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows

☐

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required
Information

(3018) If the response is no on line 3014, is your company audited?

(Yes/No)

☒ ☐

If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers

☒

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☒

(3021) Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.

☒

If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers

☐

(3023) Underlying information subjected to a review by an independent certified public accountant

☐

(3024) Underlying information subjected to an officer certification.

☐

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required
Information

613028AK3026.pdf

(3005) Data Of Return Carries Additional Documentation (Continued)		CC Form 451
Data Collection Form		DMS Control No. 3260-1236/DMS Control No. 3020-0818
		July 2013

<010>	Study Area Code	613029
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283993 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@corallic.com

Financial Data Summary

- (3027) Revenue
- (3028) Operating Expenses
- (3029) Net Income
- (3030) Telephone Plant In Service(TPIS)
- (3031) Total Assets
- (3032) Total Debt
- (3033) Total Equity
- (3034) Dividends

Name of Attached Document Listing Required Information

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icoreallo.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information _____

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information _____

4004b. Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Name of Attached Document Listing Required Information _____

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3050-0086/OMB Control No. 3050-0019 July 2013
---	--

<010>	Study Area Code	613028
<015>	Study Area Name	SUMMIT TEL & TEL -AK
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer: ext.	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0386/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	613028
<015> Study Area Name	SUMMIT TEL & TEL -AK
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>ICORE Consulting, LLC</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	ICORE Consulting, LLC
Name of Reporting Carrier:	SUMMIT TEL & TEL -AK
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 07/01/2016
Printed name of Authorized Officer:	Roger Shoffstall
Title or position of Authorized Officer:	President/CEO
Telephone number of Authorized Officer:	9073891012 ext.
Study Area Code of Reporting Carrier:	613028 Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	SUMMIT TEL & TEL -AK
Name of Authorized Agent Firm:	ICORE Consulting, LLC
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 07/01/2016
Name of Authorized Agent Employee:	Christopher Ulmer
Title or position of Authorized Agent or Employee of Agent	Manager
Telephone number of Authorized Agent or Employee of Agent:	6109283903 ext.
Study Area Code of Reporting Carrier:	613028 Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	

<703>

[illegible]

<711>

[illegible]

SUPPLEMENTAL DATA & RESPONSES

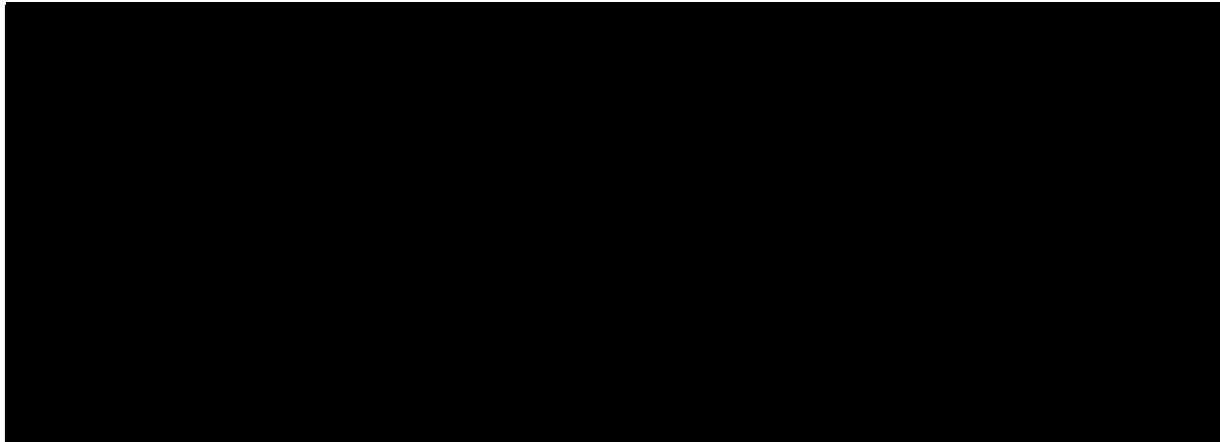
**SUMMIT TELEPHONE COMPANY
FIVE YEAR SERVICE IMPROVEMENT PLAN
JULY 1, 2016 PROGRESS REPORTS**

EXECUTIVE SUMMARY

On July 1, 2014, Summit Telephone Company ("Summit" or "the Company") submitted a five year service improvement plan as required by 47 C.F.R. §54.202(a). Summit operates a single study area with three exchanges in northern Alaska. Consistent with 47 C.F.R. §54.313(a)(1), the Company now submits its second progress report which reflects activities through 2015.

At the time the five year service improvement plan was submitted, broadband service was defined as a service with speed of 4 Mbps downstream and 1 Mbps upstream. The FCC's action to change this definition to 10 Mbps downstream and 1 Mbps upstream upon reasonable request was not reflected in the initial plan. This report provides an assessment of the Company's achievements to date in network investment to target the new, higher download speed requirement.

UNIVERSAL SERVICE SUPPORT / INVESTED



SERVICE CERTIFICATION

As set forth in 47 C.F.R. § 54.313(f)(1)(i), the Company hereby certifies that it is taking reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10

¹ Allocation in compliance with reporting requirement addressing how federal USF was used by the Company per 47 C.F.R. § 54.313(A)(1).

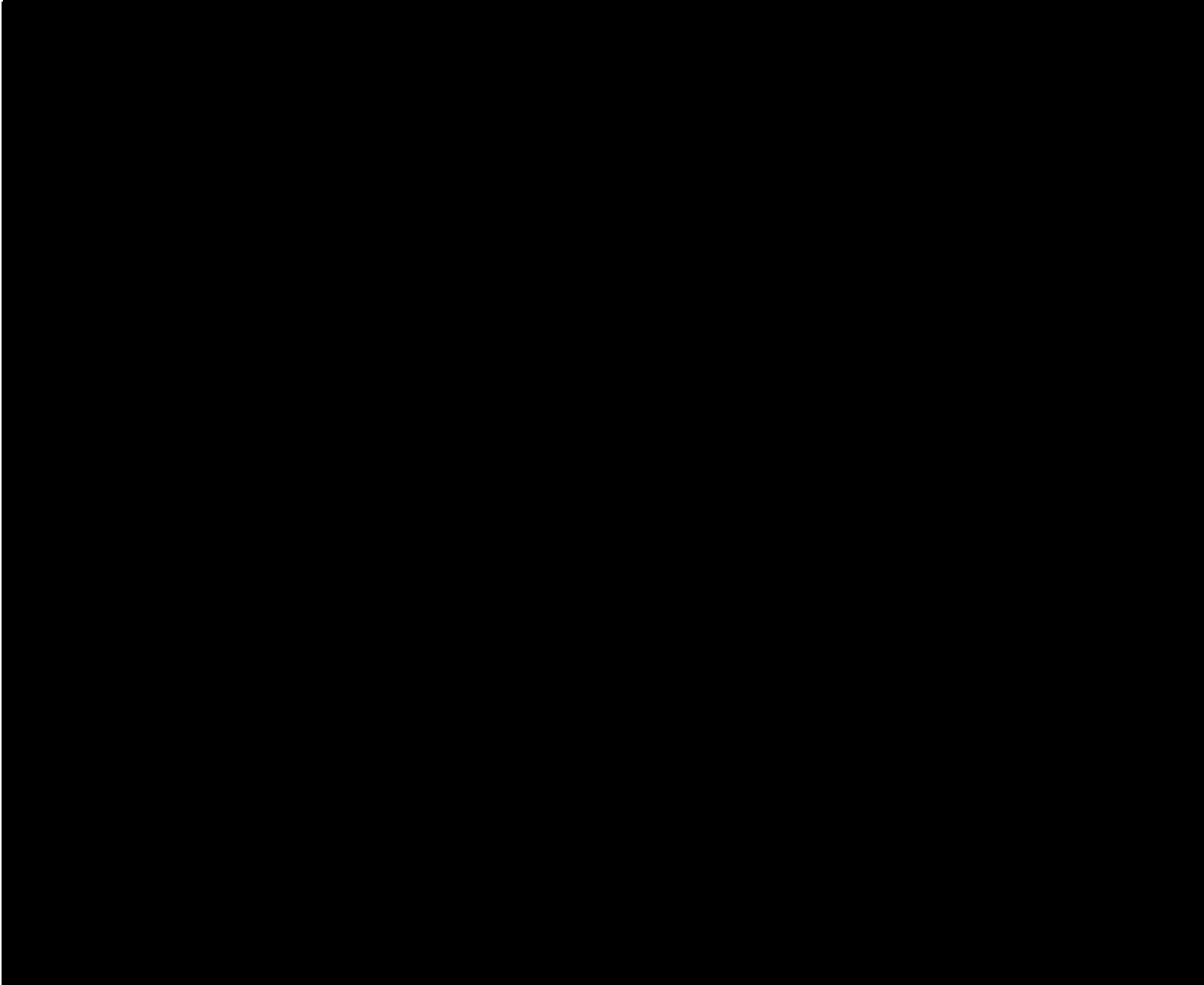
Mbps downstream/1Mbps upstream. This service offers latency suitable for real-time applications, including Voice over Internet Protocol. Usage capacity is reasonably comparable to comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time.

SERVICE PROGRESS - EXCHANGE MAP

Funds received from the universal service support mechanisms, in combination with all other revenue streams will allow the Company to maintain and upgrade the existing broadband network. In the July 1, 2014 five-year plan, the level of 4/1 broadband availability within Summit was approximately 15%. Despite the extremely rural nature of the service territory, the Company continues to deploy fiber infrastructure. As the Company's main fiber cable approaches residential areas, the Company is converting existing customers to fiber or installing a new fiber drop for new customers.

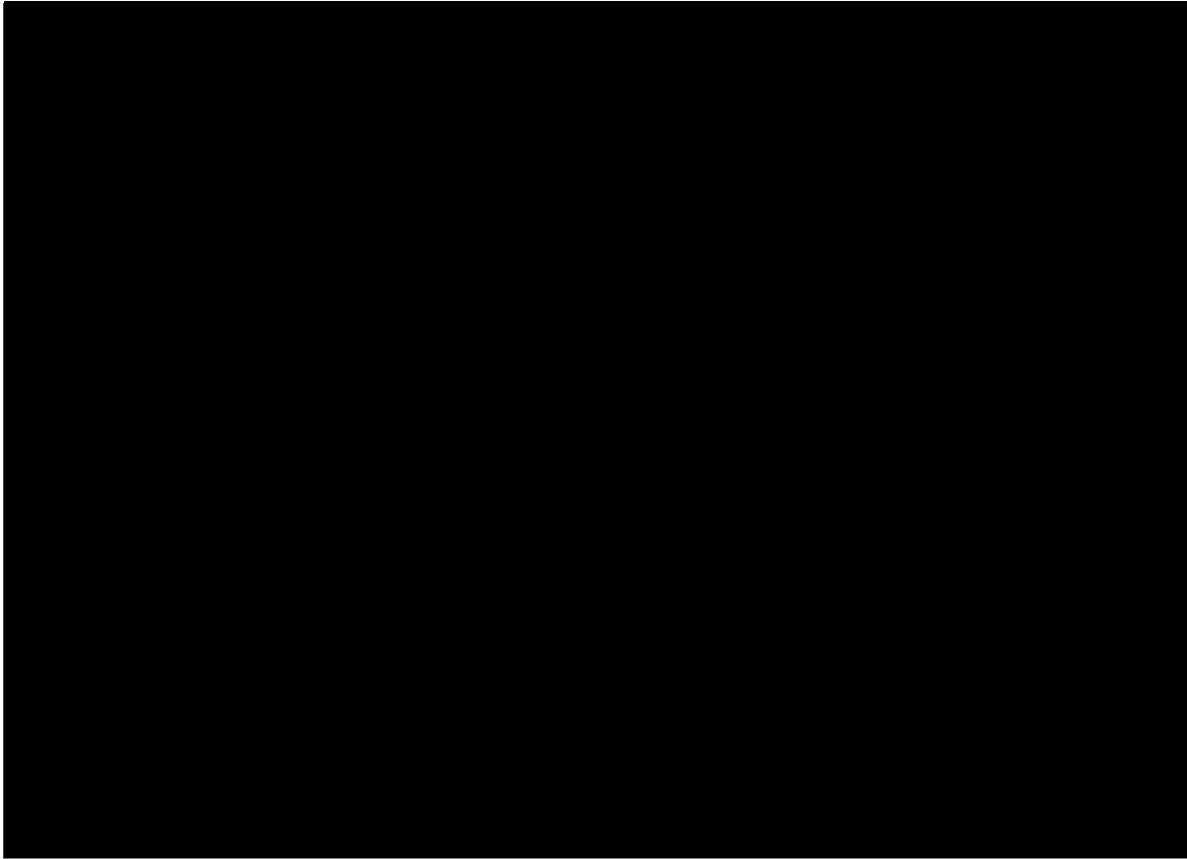
CLEARY SUMMIT / CHATANIKA

The map below shows the area that Summit is testing a microwave solution to potentially offer broadband service. The technology may be able to provide service at a level of 4 Mbps/1 Mbps. Broadband areas are defined in yellow on this map.



CHENA HOT SPRINGS

Broadband is not presently available in Chena Hot Springs.



COLDFOOT / WISEMAN

Broadband is not presently available in Coldfoot / Wiseman.



REDACTED - FOR PUBLIC INSPECTION

RATES AND RATE STABILITY

New customers are provided rate information at the time they order service. The rate information is prepared based on tariffs which are on file with the state public utility commission and available for inspection at our office. In addition rates are available on the company website. Notices of rate changes proposed by the Company are communicated to the customers through a bill notice or other comparable means. The Company complies with all state and federal rules applicable to rate changes.

PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING

In advertising of prices for service plans the Company will disclose material charges and conditions related to the advertised prices and services. This notice will provide the potential customer with , including if applicable and to the extent the advertising medium reasonably allows: (1) whether nonrecurring installation charges would apply; (2) the monthly fee associated with the service; (3) whether any additional taxes, fees or surcharges apply; (3) the terms and conditions related to receiving a product or service for "free;" and (4) whether prices or benefits apply only for a limited time or promotional period and, if so, whether any different fees or charges will apply for the remainder of the contract term.

TRUTH-IN-BILLING

The Company has long maintained compliance with the FCC's Truth-in-Billing rules as set forth in 47 CFR 64.2401. In part, this requires the Company's telephone bill must: (1) be accompanied by a brief, clear, non-misleading plain language description of the service or services rendered; (2) identify the service provider associated with each charge; (3) clearly and conspicuously identify any change in

service provider; (4) contain full and non-misleading descriptions of charges; (5) identify those charges for which failure to pay will not result in disconnection of the customer's basic local service; and (6) provide a toll free number for customers to call in order to lodge a complaint or obtain information.

Customers' bills will distinguish (1) monthly charges for service and features, and other charges collected and retained by the carrier, from (2) taxes, fees and other charges collected by the carrier and remitted to federal state or local governments. The Company will not label cost recovery fees or charges as taxes.

PROVIDE READY ACCESS TO CUSTOMER SERVICE

Customers and potential customers may access customer service by visiting the Company's office or by using a toll-free telephone number during normal business hours. Customer service contact information is available at our business office with regular hours posted on the storefront. In addition, this information is available online and on the monthly invoice rendered by the company.

ABIDE BY POLICIES FOR PROTECTION OF CUSTOMER PRIVACY

The Company complies with all state and federal rules regarding the privacy of customer information. Certification of this compliance is provided annually to the FCC.

RESPONSE TO CONSUMER INQUIRIES AND COMPLAINTS RECEIVED FROM GOVERNMENT AGENCIES

The Company will respond in writing to state or federal administrative agencies within 30 days of receiving written consumer complaints from any such agency. Should the agency require a shorter interval for response, the Company will use its best efforts to expedite the review of the complaint to provide a response which meets the agency-provided target date.

Company	Summit Telephone & Telegraph - AK
Study Area Code	613028
Supplemental Data For:	Line 510 – Service Quality Standards and Consumer Protection Rules Compliance

TERMINATION OF SERVICE

The Company follows the state public utility commission's rules for termination of service.

Service cannot be terminated without advance notice to the customer. If service is being terminated for non-payment, the customer will have the option to establish a payment plan. So long as the customer adheres to the payment plan, service will not be disconnected.

Customers may terminate service at any time and for any reason. The Company does not assess any termination penalty and the customer is simply required to pay for the services which were used while the service was provided.

REDACTED - FOR PUBLIC INSPECTION

As an initial point, the Company had no service outages during 2015 which met the FCC's threshold for reporting into the Network Outage Reporting System ("NORS").

The Company engages in preventative maintenance programs which help ensure network reliability in all conditions. This includes regular checks on generators, battery back-up, HVAC infrastructure at central office switches, and tree trimming/removal when trees have the potential to take down telephone lines during events of high wind or heavy snow. Access to critical infrastructure (like central office switches) is limited to essential personnel. Spare equipment is maintained in inventory.

Like most local exchange carriers, the Company's network consists of electronic switching equipment and a network of fiber optics and copper facilities. From a switching standpoint, the Company has one primary switch and smaller switches which are fed by the primary switch. These smaller switches are often referred to as intraexchange remote switches or concentrators. The largest threat to switches is the loss of power. To address this, the Company ensures adequate battery back-up is maintained. For emergency situations which extend beyond the useful life of the battery back-up, the Company uses generators to power the switches. These generators are portable which ensures they can be relocated to any switching center based on the specific needs of each switch. In addition, the Company's office will serve as a Command and Control center. This center is included as a primary location to which continuous power is required.

In cases of emergency, the Company's management has contact information for all employees. Depending upon the scope of the emergency, the Company may call-in as many employees as necessary to provide continual telecommunications service. The Company has access to local and regional construction companies which can be called in to supplement the work force if necessary. When poles are down from emergencies, the Company works with other utilities attached to the same poles to expedite the repair or replacement of the infrastructure.

In summation, the Company takes preventative measures to plan for emergency situations and also takes steps to mitigate the risk or duration of such events.

REDACTED - FOR PUBLIC INSPECTION



Summit Telephone Company • P.O. Box 10089 • Fairbanks, AK 99710-10089

June 30, 2016

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20544

Re: WC Docket No. 14-58, *et al.*, Annual 47 C.F.R. § 54.313(a)(9) Certification via Form 481

Dear Ms. Dortch:

Please accept this letter as certification demonstrating that Summit Telephone Company made its best effort to coordinate with Tribal government as set forth in 47 C.F.R. § 54.313(a)(9).

In 2015, Summit Telephone Company spent significant time discussing issues important to the tribal populations it serves. Ms. Jamie Shoffstall led the effort to engage the community on several issues, including telecommunications services. She evaluates the needs of the study area served by Summit, all of which is considered Tribal Lands. Summit Telephone engages in feasibility and sustainability planning for its customers. Ms. Shoffstall reviewed marketing materials and ensured they were culturally sensitive. She was available to discuss cultural sensitivity concerns, although none were raised. Summit Telephone is committed to comply with any Tribal business or licensing requirements, but to date no such requirements have been identified by Tribal governments in Summit Telephone's service territory.

Accordingly, Summit Telephone hereby certifies that it has satisfied its Tribal Engagement obligations pursuant to 47 C.F.R. § 54.313(a)(9).

Sincerely,

Jamie Shoffstall aka Jamie Kline
Secretary/Treasurer
Summit Telephone Company



Summit Telephone Company • P.O. Box 10089 • Fairbanks, AK 99710-10089

June 7, 2016

I, Jamie L. Shoffstall, Hereby certify that The Summit Telephone & Telegraph Company of Alaska, Inc.

pricing of voice services is no more than two standard deviations above the applicable national average

urban rate voice service as specified in the most recent public notice issued by the Wireline Commission

Bureau.

Respectfully,


VP Operations

Telephone: (907) 389-1012 Fax: (907) 389-4003 Email: summit@polarnet.com

Serving Areas in Alaska: Cleary Summit / Chatanika, Chena Hot Springs, Coldfoot / Wiseman

REDACTED - FOR PUBLIC INSPECTION

REDACTED - FOR PUBLIC INSPECTION

How do I know if I'm eligible?

You are eligible for the Lifeline and Link Up programs if you participate in one of the programs listed on this application form.

.....

Are there any restrictions?

Lifeline discounts apply toward basic residential telephone service for the main telephone line in a household. Other calling features may be available but they are not covered under the Lifeline discounts.

.....

How do I apply?

Call the telephone company or companies who provide local service in your area. (See back page.)

**Complete this
application and call your
local telephone company.**

Adak Telephone Utility
222-0844 or (888) 328-4222

AT&T Alascom—Local Service
(800) 252-7266

Alaska Communications System
(800) 478-7121

Alaska DigiTel
274-3114

Alaska Telephone Company
(800) 982-0136, ext. 119

Arctic Slope Telephone Association Cooperative
(800) 478-6409

Bettles Telephone Company
(800) 982-0136, ext. 119

Bristol Bay Telephone Cooperative
(800) 478-9100

Bush-Tell
(907) 675-4311

Copper Valley Telephone Cooperative
(907) 835-2231

Cordova Telephone Cooperative
(907) 424-2345

GCI—Local Service
(800) 800-4800

Interior Telephone Company (TelAlaska)
(800) 478-3127

Ketchikan Public Utilities
(907) 225-1000

Matanuska Telephone Association
(800) 478-3211

Mukluk Telephone Company (TelAlaska)
(800) 478-7055

North Country Telephone Company
(800) 982-0136, ext. 119

Nushagak Electric & Telephone Cooperative
(907) 842-5251

OTZ Telephone Cooperative
(800) 478-3111

Summit Telephone Company
(907) 389-1012

United Utilities & United-KUC
(800) 478-2020

Yukon Telephone Company
(800) 478-2556

Lifeline & LinkUp

*Alaskans
can live
without a
lot of
things.
A phone
shouldn't be
one of them.*

What is Lifeline and Link Up?

Lifeline is a program that offers discounts to qualified telephone customers on their basic monthly residential telephone service.

Link Up is a program that provides discounts on the installation of telephone service.

Lifeline discounts apply to basic residential telephone service.* You can learn more about rates for basic service by calling the telephone company or companies who provide local service in your area. (See back page.)

*Other features may be available but they **are not covered** under Lifeline discounts.

Toll blocking is available to Lifeline customers **free of charge**. Toll blocking allows customers to block incoming and outgoing long distance calls. For more details on restrictions available, talk to your local phone company.

Produced as a public service by the Regulatory Commission of Alaska (RCA) and the Alaska Universal Service Administrative Company
03/07

Application for Lifeline and/or Link Up Service in Alaska

Present to local telephone company

Name: _____ (please print)

Address (Location of Service): _____

Telephone Number: _____ Date of Application: _____

Criteria for Application

Lifeline assistance is provided to low income residential customers who meet the following criteria for assistance. The applicant must become a customer with his or her local telephone company and must reside at the location for which the telephone service is provided. This assistance applies to single line residential service only. The applicant must meet the eligibility criteria established by the FCC and RCA to qualify for such support. The qualifying customer will sign below under penalty of perjury that he/she receives benefits from one of the listed programs below. In signing, the customer also agrees to notify the telephone company if he/she ceases to participate in the qualifying program or programs. The telephone company reserves the right to verify or request verification of participation in the qualifying program or programs the customer designates.

I participate in the following program or programs:

- ☐ Supplemental Security Income
- ☐ Medicaid
- ☐ Federal Public Housing Assistance
- ☐ Food Stamps
- ☐ Low-income Home Energy Assistance Program
- ☐ Bureau of Indian Affairs General Assistance Program
- ☐ Tribally administered Temporary Assistance for Needy Families
- ☐ Head Start (only those meeting its income qualifying standard)
- ☐ National School Lunch Program's free lunch program
- ☐ State of Alaska Public Assistance Programs
- ☐ Any other means test social service program administered by the state or federal government.

Please fill in qualifying program if not listed above

In order to qualify for the Lifeline/Linkup assistance program, I certify, under penalty of perjury, that I am a participant in the program or programs I have indicated above. I authorize the appropriate agency to release recipient status information requested by the telephone company for verification of my participation in the program(s) I have indicated. Persons or organizations that may be contacted include, but are not limited to, the Alaska Department of Health and Social Services Assistance, Social Security Administration, Bureau of Indian Affairs, and any other organization that administers any of the programs listed above. I agree that I will notify the telephone company immediately if I cease to participate in the qualifying program or programs.

Applicant Signature: _____ Social Security Number: _____ (optional)

Company	Summit Telephone Company
Study Area Code	613028
Supplemental Data For:	Line 3010b – 5 Year Plan Milestone Certification

This certification is embedded within the 5 year plan update that has been filed.

**THE SUMMIT TELEPHONE AND TELEGRAPH
COMPANY OF ALASKA, INC.**

(A WHOLLY-OWNED SUBSIDIARY OF REMOTE CONTROL, INC.)

Financial Statements

Years Ended December 31, 2015 and 2014



AKT

ADVISORY AND BUSINESS CONSULTANTS

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Financial Statements

Years Ended December 31, 2015 and 2014

Table of Contents

	Page
Independent Auditors' Report	1
Financial Statements:	
Balance Sheets	2
Statements of Operations	3
Statements of Changes in Stockholder's Equity	4
Statements of Cash Flows	5
Notes to Financial Statements	6



CPAS AND BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Summit Telephone and Telegraph Company of Alaska, Inc.
Fairbanks, Alaska

We have audited the accompanying financial statements of The Summit Telephone and Telegraph Company of Alaska, Inc. (a State of Alaska corporation), which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of operations, changes in stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Summit Telephone and Telegraph Company of Alaska, Inc. as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

AKT LLP

Salem, Oregon
May 11, 2016

680 HAWTHORNE AVENUE SE, #140, SALEM, OR 97301

PHONE: 503.585.7774 FAX: 503.364.8405

PORTLAND, OR | SALEM, OR | CARLSBAD, CA | ESCONDIDO, CA | SAN DIEGO, CA | ANCHORAGE, AK

AKT LLP

REDACTED - FOR PUBLIC INSPECTION

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Balance Sheets

December 31, 2015 and 2014

ASSETS

2015

2014

Current Assets:

Cash

Accounts receivable, less allowance for doubtful accounts

Materials and supplies

Prepayments

Total Current Assets

Investments

Property, Plant, and Equipment:

Plant in service

Plant under construction

Less accumulated depreciation

Property, Plant, and Equipment, net

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities:

Current maturities of long-term debt

Accounts payable

Accrued expenses

Customer deposits

Total Current Liabilities

Long-Term Debt, net of current portion

Other Liabilities:

Payable to affiliate

Deferred income taxes

Total Other Liabilities and Deferred Credits

Stockholder's Equity:

Common stock, no par value [REDACTED] shares authorized,

[REDACTED] shares issued and outstanding

Additional paid-in capital

Retained earnings

Total Stockholder's Equity

See accompanying notes to financial statements.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Statements of Operations

Years Ended December 31, 2015 and 2014

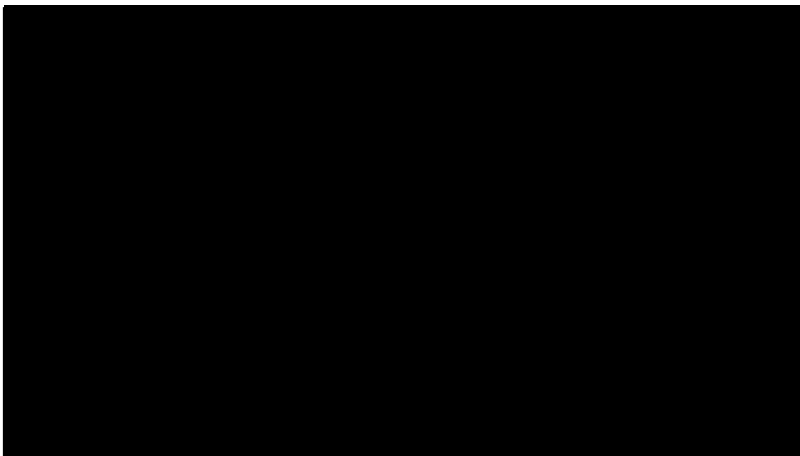
	2015	2014
Operating Revenues:		
Local network service		
Network access service		
Miscellaneous		
Total Operating Revenues		
Operating Expenses:		
Plant specific operations		
Plant nonspecific operations		
Customer operations		
Corporate operations		
Depreciation		
Total Operating Expenses		
Operating Taxes:		
Income tax benefit		
Other operating tax		
Total Operating Expenses and Taxes		
Operating Income (Loss)		
Other Income (Expense)		
Income Before Interest Expense		
Interest Expense		
Net Income (Loss)		

See accompanying notes to financial statements.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Statements of Changes in Stockholder's Equity

Years Ended December 31, 2015 and 2014

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, December 31, 2013				
2014 Dividends				
2014 Net loss				
Balance, December 31, 2014				
2015 Dividends				
2015 Net income				
Balance, December 31, 2015				

See accompanying notes to financial statements.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Statements of Cash Flows

Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities:		
Net income (loss)		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation		
Deferred income taxes		
Patronage allocations, noncash		
Changes in assets and liabilities:		
Accounts receivable		
Materials and supplies		
Prepayments		
Accounts payable		
Accrued expenses		
Customer deposits		
Net Cash Provided by Operating Activities		
Cash Flows from Investing Activities:		
Additions to property, plant, and equipment		
Patronage dividends and investment principal received		
Net Cash Used by Investing Activities		
Cash Flows from Financing Activities:		
Payments on long-term debt		
Advances from affiliate		
Dividends paid		
Net Cash Used by Financing Activities		
Net Increase in Cash		
Cash, beginning		
Cash, ending		
Cash Paid During the Year For:		
Interest - net of amounts capitalized		
Supplemental Disclosure of Noncash Activity:		
Accounting software purchased with long-term debt		

See accompanying notes to financial statements.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 1 - Organization and Summary of Significant Accounting Policies

Organization

The Summit Telephone and Telegraph Company of Alaska, Inc., dba Summit Telephone Company (the Company), is a local exchange telephone company organized under the laws of the state of Alaska. The Company provides local exchange telecommunication services in three exchanges in interior Alaska, including the Chatanika, Steese, Chena Hot Springs, Elliot Highway, and Coldfoot areas. The Company is a wholly-owned subsidiary of Remote Control, Inc. (the Parent).

Regulations

The Company is subject to the accounting and rate regulations of the Regulatory Commission of Alaska (RCA), and maintains its accounting records in accordance with the Uniform System of Accounts, as prescribed by the Federal Communications Commission (FCC). As a result, the application of accounting principles generally accepted in the United States of America by the Company differs in certain respects from the application by nonregulated entities. Such differences primarily relate to the time at which certain items enter into the determination of net income.

The Company is subject to limited regulation by the FCC and the RCA regarding the provision of telecommunication services.

Regulatory and legislative actions, as well as future regulations, could have a significant impact on the Company's future operations and financial condition. See Note 1, National Broadband Plan and FCC Order.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates involve judgments with respect to numerous factors that are beyond management's control. Actual results could differ from those estimates.

Cash

The Company maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits, which is generally \$250,000 per account holder per bank. The Company has no uninsured cash as of December 31, 2015 or 2014. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts Receivable

The Company provides an allowance for doubtful accounts that is based on a review of outstanding receivables, historical collection information, and existing economic conditions. Receivables from subscribers are due 30 days after the issuance of the invoice. Receivables from other exchange carriers are typically outstanding from 30 to 60 days before payment is received. Receivables past due more than 90 days are considered delinquent and are charged to uncollectible expense when it is determined that the account will not be collected. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

Materials and Supplies

Materials and supplies are stated at the lower of weighted average cost or market.

Investments

Investments are stated at cost and consist of assigned patronage and subordinated capital certificates from the Rural Telephone Finance Cooperative (RTFC). As a condition of the Company's debt described in Note 4, the Company is required to hold capital certificates in RTFC.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Fair Value of Financial Instruments

The Company's financial instruments, none of which are held for trading purposes, include cash, receivables, accounts payable, and mortgage and notes payable. The Company estimates that the fair value of all of these non-derivative financial instruments at December 31, 2015 and 2014 does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying balance sheets.

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost, including direct labor, materials, freight, and indirect overhead costs. Maintenance and repairs are charged to operations when incurred. Renewals and betterments are capitalized. The Company provides for depreciation on a straight-line basis over the estimated useful lives of the classes of property and equipment in accordance with rates consistent with industry standards and approved by the RCA. Costs of regulated plant retired are eliminated from utility plant accounts and such costs plus removal expenses, less salvage, are charged to accumulated depreciation.

Upon retirement, sale, or other disposition of nonregulated property, plant, and equipment, the cost and related accumulated depreciation are removed from the accounts and the resulting gains or losses are included in operations.

For construction projects lasting longer than 1 year, the Company follows the policy of capitalizing interest as a component of the cost of property, plant, and equipment constructed for its own use. In 2015, total interest incurred was [REDACTED] of which [REDACTED] was capitalized [REDACTED].

Revenue Recognition

The Company recognizes revenues when earned regardless of the period in which they are billed. Monthly service fees derived from basic and local service are billed in advance. Access charges (see Note 1, Network Access Revenue) and other revenues based on usage are billed in arrears.

Network Access Revenue

Network access revenue for intralata and interlata toll services is received under a system of access charges. Access charges represent a methodology by which local telephone companies, including the Company, charge the long distance carrier for access and interconnection to local facilities. The Company has elected to file access tariffs through the National Exchange Carriers Association (NECA) and the Alaska Exchange Carriers Association (AECA) for these charges. These access tariffs are subject to approval by the FCC for interstate charges and the RCA for intrastate charges.

When network access revenues have been received pursuant to the settlement and access agreements above, they are then either placed into a common pooling arrangement with other exchange carriers for redistribution or kept by the Company. The redistributions are made according to formulas established by the governing boards of the pools and are generally based upon expenses incurred and investments maintained. The Company participates in pooling arrangements NECA and AECA.

Settlement, access, and pool distribution revenues are recorded when the amounts become determinable. Related expenses are recorded when incurred. Subsequent true-ups and retroactive adjustments, which are generally allowed for a period of 24 months after the close of the related calendar year for the NECA pools, are recorded in the year in which such adjustments become determinable, based upon studies by an outside consultant.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Network Access Revenue, continued

In addition to recoveries from the pools, the Company also receives revenues from the Universal Service High Cost Loop Fund (HCL) and other support mechanisms administered by the Universal Service Administration Company (USAC). These universal service support revenues are intended to compensate the Company for the high cost of providing service in rural areas. The amount of support received from HCL is based on the number of customers served and the cost of providing service in that area being in excess of the national average cost per loop as determined by the FCC, and are included in network access revenues in the accompanying financial statements.

In 2015, the Company received [REDACTED] from the USAC High Cost Loop Fund [REDACTED] and [REDACTED] in interstate access revenues administered through the NECA Pools [REDACTED]. In 2015, the Company received [REDACTED] from the Alaska Universal Service Fund [REDACTED].

National Broadband Plan and FCC Order

In 2010 the FCC issued the National Broadband Plan which outlined a long-term plan to increase broadband penetration rates and services throughout the United States of America. The plan further outlined a proposed long-term phase-out of access charges (referred to as Intercarrier Compensation) to move to support mechanisms based on broadband services rather than the current Universal Service High Cost Loop Fund administered by USAC.

In response to the plan, the FCC on October 27, 2011, approved Report and Order 11-161 (the Order), that begins the process of reforming the universal service and intercarrier compensation (ICC) systems and adopts support for broadband-capable networks as an express universal service principle. The Order further creates the Connect America Fund (CAF) which will ultimately replace all existing high-cost support mechanisms as well as help facilitate ICC reforms.

The key provisions of the Order include:

- Capping the federal universal service fund at current levels.
- Placing limitations on capital and operating spending.
- Establishing local rate benchmarks.
- Capping the per-line support amount for the universal service high cost loop fund at \$250 per month.
- Phase out of local switching support and the establishment of the CAF for recovery of investment and expenses related to the provision of switching services.
- Reforming the ICC system by adopting a plan to transition from access charges to a bill and keep framework. The transition period for rate-of-return carriers such as the Company is approximately 9 years from the date of the order.
- Adoption of a monthly Access Recovery Charge as a transitional recovery mechanism to mitigate the impact of reduced intercarrier revenues.

The Order was effective December 29, 2011 and implementation began on July 1, 2012. As of the implementation date CAF recovery is calculated based on the frozen fiscal year 2011 interstate switched access revenue requirement, plus certain 2011 intrastate access revenues, and will decline annually by 5% during the transition period.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 1 - Organization and Summary of Significant Accounting Policies, continued

National Broadband Plan and FCC Order, continued

In 2014, the FCC issued Orders for Reconsideration that included provisions to eliminate the quantile regression benchmarking analysis (this removes the limitations on capital and operating spending contained in the Order), reinstate the safety-net additive on a limited basis that was eliminated as part of the Order, and continue the transition of the local rate benchmark. In 2015, the FCC continued to work on further reforms. An FCC Order reforming universal service support and providing the option for a voluntary election by rate-of-return carriers to receive model-based support under an Alternative Connect America Cost Model (A-CAM), rather than based on its own costs, was issued March 30, 2016. It is also expected that the FCC will take further action to address the unique circumstances that exist for rate-of-return carriers in Alaska by June, 2016. The full impact of this Order to the Company could not be reasonably determined at this time.

As part of this reform, the Alaska Telephone Association and its member companies, including the Company, have proposed the Consensus Alaska Plan to the FCC as a solution for distributing high cost support in Alaska over the next ten years. The Consensus Alaska Plan proposes freezing funding for high cost loop support, interstate common line support and wireless CETC support for carriers serving Remote Alaska for a 10-year period. It is uncertain what, if any, impact the proposed rulemaking will have on the Company.

The Company continues to monitor its local rates and as of December 31, 2015, the Company meets the local rate benchmark requirements of the Order. The Company is not subject to the \$250 per line support cap. Furthermore, for the period ended December 31, 2015, the impacts to the Company related to the 5% annual decline in switched access revenues have not been significant.

The overall reform process will continue to take place in phases and will take several years to implement. Furthermore, it is anticipated that the FCC will continue to issue Further Notices of Proposed Rulemaking and/or Orders for Reconsideration and continue to seek comments on various items. As a result, the ultimate outcome of these proceedings and their impact is uncertain at this time.

Taxes Imposed by Governmental Authorities

The Company is subject to taxes assessed by various governmental authorities on many different types of revenue transactions with its customers. These specific taxes are charged to and collected from the Company's customers and subsequently remitted to the appropriate taxing authority. The taxes are accounted for on a net basis and excluded from revenues.

Income Taxes

The Company files a consolidated income tax return with the Parent.

The Company follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Company recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision when applicable. There are no amounts accrued in the financial statement related to uncertain tax positions. The Company files federal, state and local income tax returns.

Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period, plus or minus the change in deferred tax assets and liabilities during the period.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Subsequent Events

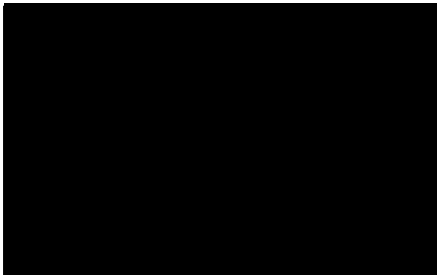
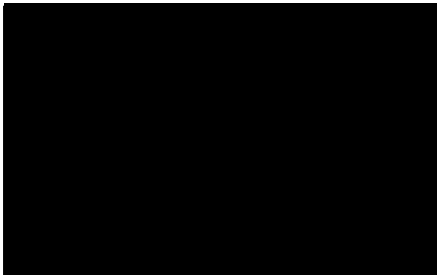
The Company has evaluated subsequent events through May 11, 2016, which is the date the financial statements were available to be issued.

Reclassification

The presentation of certain prior year information has been reclassified to conform to the presentation in the 2015 financial statements. Such reclassifications have no effect on net income (loss) or stockholder's equity.

Note 2 - Accounts Receivable

Accounts receivable at December 31 consist of:

	2015	2014
Subscribers		
Carrier access		
Settlements and pooling		
Other		
Less allowance for doubtful accounts		

Note 3 - Property, Plant, and Equipment

Listed below are the major classes of property, plant, and equipment and their related annual composite depreciation rates:

	Percent	2015	2014
General support facilities			
Central office equipment			
Information origination/termination equipment			
Cable and wire facilities			

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 4 - Long-Term Debt

Long-term debt at December 31 consists of the following:

██████████ mortgage notes payable to RTFC in quarterly installments of ██████████ principal and interest, collateralized by substantially all real and personal property, matures February 2021.

██████████ note payable to Denali Escrow in monthly installments of ██████████ principal and interest, collateralized by a deed of trust, matured February 2015.

██████████ note payable to Mid America Computer Corporation in monthly installments of ██████████ principal and interest, collateralized by equipment, matures December 2016.

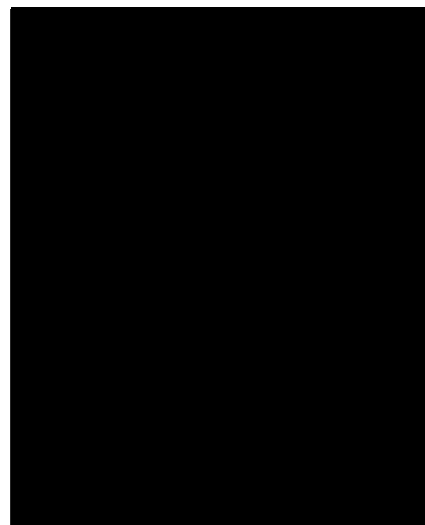
██████████ note payable to Ally Financial in monthly installments of ██████████ principal and interest, collateralized by a vehicle, matures November 2018.

Less Current Portion

Total Long-Term Debt

2015

2014



The long-term debt agreement with RTFC contains restrictions on the payment of dividends and the maintenance of defined amounts of working capital after payment of dividends. The long-term debt agreement also contains requirements regarding debt service coverage and other financial ratios, and the timely remittance of semiannual financial information and annual audited financial statements. For the years ended December 31, 2015 and 2014, the Company was either in compliance with these covenants or had obtained a waiver from its lender for covenants that had not been met.

Future maturities of long-term debt are as follows:

2016
2017
2018
2019
2020
Thereafter
Total



THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 5 - Income Taxes

Income tax expense (benefit) for the years ended December 31 consists of the following:

	2015	2014
Current:		
Federal		
State		
Deferred:		
Federal		
State		
Income Tax Benefit		

The provision for income taxes differs from the amount computed by applying the current statutory federal and state income tax rates to earnings before income taxes due to the effects of state taxes (net of federal benefit), nondeductible items, net operating loss deductions, prior year over or under accruals, and the use of accelerated depreciation for income tax purposes.

Deferred tax expense is provided for temporary differences in the recognition of revenues and expenses for tax and financial statement purposes.

Deferred income tax asset (liability) consists of the following:

	2015	2014
Tax depreciation in excess of financial statement depreciation		
Accrued paid time off		
Accrued officer compensation		
Deferred Tax Liability		

Note 6 - Related Party Transactions

Accounts receivable includes [REDACTED] in unsecured, non-interest bearing advances to an officer of the Company as of December 31, 2015 and 2014. Accrued expenses include [REDACTED] in accrued officer compensation as of December 31, 2015 and 2014, as well as [REDACTED] of accounts payable to an officer of the Company as of December 31, 2015 and 2014.

The Company leases office facilities from an officer of the Company for [REDACTED] per month [REDACTED]. The lease term expires December 31, 2018. Future minimum lease payments associated with the office facilities are as follows:

2016
2017
2018

Lease expense for the year ended December 31, 2015 amounted to [REDACTED]

The amount reflected in the accompanying balance sheets as payable to affiliate represents the net amount due to the Parent.

THE SUMMIT TELEPHONE AND TELEGRAPH COMPANY OF ALASKA, INC.

Notes to Financial Statements

Years Ended December 31, 2015 and 2014

Note 7 - Guarantee Obligations

At December 31, 2014, the Company was the guarantor of [REDACTED] in long-term debt owed by the Parent to RTFC. The guarantee was from the purchase of the Company's stock by the Parent in 2000. The Company secured the Parent's debt with its assets and was required to perform in the event of the Parent's default on the debt. The Company was paying dividends to the Parent on a quarterly basis in amounts required to service the Parent's debt payments and other operating expenses. The debt included interest at [REDACTED] until it matured in March 2015. The debt was paid in full in 2015.

Note 8 - Pension Plans

Simplified Employee Pension - The Company has a Simplified Employee Pension (SEP) retirement plan. For the years ended December 31, 2015 and 2014, the Company made contributions totaling [REDACTED] of the employees' compensation for all eligible employees who worked for the Company 3 months or more. Total pension cost, including amounts charged to construction for 2015 and 2014, amounted to [REDACTED] respectively.

Savings Plan - The Company also has a 401(k) Savings Plan, through the National Telephone Cooperative Association (NTCA). Regular full-time employees who have worked for the Company 3 months or more are eligible to participate in the Savings Plan, which is a tax-qualified defined contribution plan under section 401(k) of the Internal Revenue Code. The Company matches [REDACTED] of the employee's contribution up to the first [REDACTED] of the employee's compensation. All contributions, including the Company match, are made in cash. Employer contributions, including amounts charged to construction, for 2015 and 2014 amounted to [REDACTED] respectively.

